GOVERNMENT OF INDIA
COAL
LOK SABHA

STARRED QUESTION NO:467
ANSWERED ON:17.05.2006
ILLEGAL COAL MINING
Pathak Shri Brajesh;Singh Shri Sitaram

Will the Minister of COAL be pleased to state:

(a) the location-wise and the company-wise number of coal mines under the private sector:

(b) whether certain private companies are engaged in illegal mining in the coal mine area;

(c) if so. the details thereof;

(d) the norms laid down for regulating the coal mining by the private companies; and

(e) the step taken by the Government to check the violation of norms by the private companies?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COAL (SHRI SHIBU SOREN)

(a) to (e): A statement is laid on the Table of the House.

Statement referred to in parts (a) to (e) of the Lok Sabha Starred Question No. 467 for 17.05.2006 by Shri Sitaram Singh and Shri Brajesh Pathak regarding illegal coal mining.

(a): The number of coal blocks location-wise and coal company-wise, allocated to private sector for captive mining, are as under:

Name of the State (Command Area)	Name of the Coal Company	Number of blocks allocated
West Bengal	Eastern Coalfields Ltd.	1
Madhya Pradesh	Western Coalfields Ltd.	2
	Northern Coalfields Ltd.	1
Maharashtra	Western Coalfields Ltd.	11
Chhattisgarh	South Eastern Coalfields Ltd.	15
Jharkhand	Central Coalfields Ltd.	14
	Bharat Coking Coal Ltd.	3
Orissa	Mahanadi Coalfields Ltd.	9

(b)to(c): In so far as blocks allotted to private companies for captive use are concerned, the only incident of illegal mining of coal in violation of the condition of captive use of coal in their end-use plant that has come to the notice of the Central Government was in respect of Mls Central Colliery Company Ltd., where they had reportedly sold coal mined from the Takli-Jena-Bellora (South) coal block allocated for captive mining of coal for use in their proposed power plant. The lease granted by the Government of Maharashtra in favour of them in respect of the said block has been declared void by the Revisional Authority constituted by the Central Government in exercise of its power of revision under the Mines & Minerals (Development & Regulation) Act, 1957.

(d): The salient terms and conditions of allotment of coal block for captive mining, interalia, are as follows:

The Coal produced from the captive block shall be used captively in the end-use plant of the allocatees.

Coal produced during the development period, when the end use plant may not have been commissioned, could be transferred to the local Coal India Ltd. subsidiary at a price to be determined by the Government.

Production from the coal block has to commence in 36 to 54 months depending upon whether the block has underground or opencast reserve or is in forest land.

Bank Guarantee equivalent to one years estimated royalty amount to be furnished within three months from the date of allocation and prorata deduction from bank guarantee amount to be effected on failure to achieve the peak rated production as per schedule and ultimate deallocation of block on exhaustion of bank guarantee amount.

In case violation of any of the terms and conditions of the allocation of coal blocks, the block/mining lease is liable to deallocation/cancellation.

(e): Some of the important steps taken by the Government to ensure timely and proper development of captive blocks:

i) Regular monitoring through the Coal Controller`s Organisation;
ii) Quarterly Review at the Ministry level, where other related Administrative Ministries and State Governments are also represented;
iii) Enforcement of terms and conditions of mining lease by the State Governments;